

# Marketing management essay sample

[Economics](#), [Consumer](#)



## Part One:

## Multiple Choices:

1. It is a concept where goods are produced without taking into consideration the choices or tastes of customers Answer. b. Production concept
2. It involves individuals who buy products or services for personal use and not for manufacture or resale Answer. d. Consumer
3. It is the groups of people who interact formally or informally influencing each other's attitude and behavior Answer. c. Reference groups
4. The concept of the product that passes through various changes in its total life known as Answer. a. Product life cycle
5. It refers to unique set of brands associations that brand strategist aspires to create or maintain Answer. c. Brand identity
6. It involves a pricing strategy that charges customers different prices for the same product or service Answer. b. Price discrimination
7. It refers to an arrangement where another company through its own marketing channel sells the products of one producer Answer. d. Strategic channel alliance
8. It involves facility consisting of the means & equipments necessary for the movement of passengers or goods Answer. c. Transportation
9. The advertising which is used to inform consumers about a new product or feature & to build primary demands is known as Answer. b. Informative advertising

10. An art that predict the likelihood of economic activity on the basis of certain assumptions Answer. b. Sales forecasting

Part Two:

1. Write a note on importance of consumer behavior for a business firm?

Answer. A consumer is a person who purchases goods and services for his own personal needs. Consumer behavior can be defined as those acts of individuals which are directly involved in making decisions to spend their available resources in obtaining and using goods and services. Importance of Consumer Behavior for a business firm: a. It will help to segment the market usefully.

b. It will aid in development of an effective marketing mix. c. It will help to assess new opportunities concept is unlikely to get discarded for a very long time to come, because there would always be products and populations of such a nature that some companies would feel.

2. Define the term ' Price'.

Answer. Price represents the value that is exchanged in a marketing transaction. A marketer usually sells a specific combination of need satisfying product or service, and additional services like warranty or guarantee. Pricing exercise begins with an understanding of corporate mission, target markets, and marketing objectives. Management must examine the cost to determine how much flexibility it has in establishing prices and the lowest price level essential to meet profit and other company objective.

### 3. Distinguish between Marketing Concept and Selling Concept? Answer.

Marketing concept proposes that an organization should focus on customer needs and wants, coordinate its efforts, and Endeavour to accomplish organizational goals. The selling concept was the major means of increasing sales and profits during 1920s in the developed countries of that period. Companies believed that the most important marketing activities were personal selling, advertising, and distribution.

### 4. What are the new trends in advertisement?

Answer. Advertising means of informing as well as influencing the general public to buy products or services through visual or oral messages. New trends in advertising are following :

- a. Informative Advertising: which is advertising used to inform consumers about a new product or feature and to build primary demand.
- b. Persuasive advertising: which is advertising used to build selective demand for a brand by persuading consumers that it offers the best quality for their money.
- c. Comparative advertising: which is advertising that compares on brand directly or indirectly to one or more other brands.
- d. Reminder advertising: which is advertising used to keep consumers thinking about a product.

### 5. Briefly explain the following:

- a. Socio-culture environment

Answer. The beliefs, values and norms of a society determine how individuals and organizations relate to each other. The core beliefs of a particular society tend to be persistent, as the American value system of work, charity and honesty. It is difficult for marketers to change these core

values, which have a major bearing on marketing operations in as much as they set the stage for marketing activity and consumer response.

b. Marketing environment interface.

Answer. Environment plays a critical role in business, especially in marketing. The marketing environment is constantly changing and thus presenting new opportunities and threats. A marketer's task is to correctly analysis the environment and design a marketing mix, which will fit the environment. There are two types of environmental forces , which influence an organization's marketing activities. 1. Macro environment: Consists of demographics and economic condition, socio-culture factors, political and legal systems, technological development, etc. 2. Micro environment: Consists of suppliers, consumers, marketing intermediaries, etc.

END OF SECTION A

Section B: Case lets (40 marks)

Case let 1

1. What are the significant factors that have led to the success of Shoppers' Stop? Answer. Shoppers Stop , a specially chain of garment and accessory retail stores, has been a pioneer of organized retailing in India. The first Shoppers Stop store was set up at Andheri in Mumbai in 1991. Today the company outlets ate located in all major cities like Mumbai, Bangalore and Hyderabad, New Delhi and Jaipur. Shoppers Stop success has been built on – brand building, investing in technology and retaining people. At Shoppers Stop they have projected an image of aspirations as a seller of life style goods. However they are selling aspirations at a reasonable price. They have

starts as a fully air-conditioned store, parking facility, computerized cash counters, goods exchanged without any question asked and self service. In shoppers Stop one can find product of their need very easily 2. Draw the typical profile(s) of Shoppers' Stop customer segments. Answer. Shoppers Stop is a place where something is for every person either they are men's, women's, children's.

They know very well how to attract people, so that they established customer segments in Shoppers Stop. a. Men's Segment: In men's segment they can find clothing of different brands like Levi's, Live In, Killer, Newport , etc. b. Women's Segment: In women's segment women's can find their clothing , fashion related accessories', cosmetics, jewelry, Etc c. Children Segment : In this segment it has clothing's for children , games, toys and other interesting things which can attract children very easily. d. Food Segment: In this segment one can find foods and vegetables of their choice . e. Electronic Item Segment: In this segment electronic items like TV, LCD, LED, AC, Fridge , Washing Machine, etc are placed in one place.

3. How are Indian customers visiting Shoppers Stop any difference from customers of developed western countries? Answer. The Indian customer is still evolving and is very different form western countries customers. In western countries they knows exactly what he wants to purchase, walks up to a shelf, picks up the merchandise , pays and walks out. In India, customers like to touch and feel the merchandise and scout for option. Also the majority of Indian shoppers will prefer to pay in cash. Indian customers likes to served whether it is food or otherwise They come with families , kids,

and maids in tow and expected to be suitably attended to. Still others wanted someone to carry the bags.

4. How should Shoppers Stop develop its demand forecast?

Answer. Shoppers Stop already well successes in selling their products between the customers. They can develop their demand forecasting if they provide following services: a. They can provide better services if they started home delivery system. b. They have to started on line booking system, so that one can book their product online through internet.

Case let 2

1. Considering the concept of product life cycle, where would you put video games in their life cycle? Answer. Video game Genres evolve over time as players discover, fall in love, grow bored and then move on to other forms of entertainment. The life cycle of a genre follows a pattern often found in other product categories. 1. Introduction. Early on in the birth of a genre, the core mechanics that define the genre are introduced. 2. Growth. Follow-up titles begin appearing on the market. They experiment with the initial formula in order to make it more marketable. Often you'll find genre kings emerge at this time. Genre kings are breakthrough products with the right mix of setting, gameplay and marketing that generate strong mass appeal. They dominate sales and establish the genre in the eyes of the public. 3. Maturity. In the maturity stage, a few genre kings dominate the market and set the standards by which all other titles are judged. You see a standardization of control schemes and genre specific conventions such as the double jump or wall jump are established. Designers can rely on the fact that most gamers

will understand these common concepts and they design their gameplay around them.

4 . Decline. Over time the core audience burns out on existing stagnant game mechanics. This decline can be exacerbated by platform. Considering the concept of product life cycle, video games are now in their decline stage because the customer preferences change due to the availability of technologically superior products and consumers shift in values, beliefs and tastes to products offering more value. The number of competitors dwindles and generally few product versions are available. Those who stay , may cut their promotional budgets and further reduce their prices. Same thing happens in the world of video games. Sales take a nose-dive, costs increase, and profits are almost non-existent. All these factors create overcapacity. If the industry has low-exit barriers, many companies leave the market. This may increase the sales volume of remaining companies to the extent that their exit may be delayed, and for a short time strong contenders may even prosper.

2. Should video game companies continue to alter their products to include other functions, such as e-mail? Answer. No, I think not, every company have an e-mail so they can be contacted there for any issue about games they produce. END OF SECTION C

Section C: Applied Theory (30 marks)

1. What is meant by sales promotion? Describe briefly the various methods of sales promotional tools used by business organizations to boost the sales.



Explain any four methods of sales promotion? Answer. Sales promotion offers short-term incentives to encourage purchase or sales of product or service “ sales promotion offers reasons to buy NOW” Sales promotions are announced both, by manufacturers and retailers. Manufacturer announced promotions might be directed at customers, resellers, or both. Various methods of sales promotional tools used by business organizations are following: 1. Consumer Sales Promotions: Sales promotion directed at end users are called consumer sales promotions. Some commonly used consumer promotions are briefly discussed: a. Price Discount (also called cents-off): The customer pay a certain amount less than the regular price of the product or service if purchased in a specific period. b. Bonus-Pack: An additional quantity of the purchased product is offered free with standard pack.

c. Samples: It is an offer of some amount of product or service free or at a very nominal price. d. Premiums: A premium (gift) is a reward given to the consumer for performing a particular act, generally purchasing a product or service. e. Frequent-Users Reward: These are incentives to reward those, who frequently purchase the product or services, such as frequent flier incentives to air passenger. f. Coupons: Coupons can be viewed as certificates offered by manufacturers or retailers that entitle the power to some stated savings or claim on the specified thing. 2. Trade Sales Promotions: Trade sales promotions are directed at resellers. Trade sales promotions are part of “ push” strategy of producers. The main objectives of trade promotions include: a. Build strong relations with channel members.

b. To stimulate in-store merchandising support, such as arranging displays, shelf space, feature advertising etc. c. Gain distribution of new products. d. Manipulate levels of inventory held by wholesalers and retailers. e. Other objectives are Trade allowances, Buying allowances, Free goods, Slotting allowances, Bye back allowances, Advertising allowances, etc.

3. Internet Sales Promotions: The number of companies using Internet promotions is increasing. Contests and sweepstakes are among the most commonly used to motivate people to visit marketers Internet sites.

4. Promotions that Blur the Line: Some promotions such as specially advertising, event marketing and sponsorship are activities that blur the line between advertising , sales promotions, and public relations.

a. Specially Advertising: It is often viewed both a means of advertising and sales promotion.

b. Event Marketing and Sponsorship: It has become quite a popular promotional approach and is often considered as a part of sales promotions, especially if a product is sold through the event.

2. Write notes on the following:

a. Explain right to safety.

Answer. The assertion of this right is aimed at the defense of consumers against injuries caused by products other than automobile vehicles, and implies that products should cause no harm to their users if such use is executed as prescribed. The Right was established in 1972 by the US federal government, the Consumer Product Safety Commission (CPSC) has jurisdiction over thousands of commercial products, and powers that allow it to establish performance standards, require product testing and warning

labels, demand immediate notification of defective products, and, when necessary, to force product recall.

b. What is right to consumer protection?

Answer. “ Consumer protection” consists of laws and organizations designed to ensure the rights of consumers as well as fair trade competition and the free flow of truthful information in the marketplace. The laws are designed to prevent businesses that engage in fraud or specified unfair practices from gaining an advantage over competitors and may provide additional protection for the weak and those unable to take care of themselves.

Consumer protection laws are a form of government regulation which aim to protect the rights of consumers. For example, a government may require businesses to disclose detailed information about products—particularly in areas where safety or public health is an issue, such as food. Consumer protection is linked to the idea of “ consumer rights” (that consumers have various rights as consumers), and to the formation of consumer organizations, which help consumers make better choices in the marketplace and get help with consumer complaints.

In India, Consumer Protection Act of 1986 is the law governing consumer protection. Under this law, Separate Consumer tribunals have been set up throughout India in each and every district in which a consumer [complaint can be filed by both the consumer of a goods as well as of the services] can file his complaint on a simple paper without paying any court fees and his complaint will be decided by the Presiding Officer of the District Level.

Appeal could be filed to the State Consumer Disputes Redressal

Commissions and after that to the National Consumer Disputes Redressal Commission (NCDRC). The procedures in these tribunals are relatively less formal and more people friendly and they also take less time to decide upon a consumer dispute[2] when compared to the years long time taken by the traditional Indian Judiciary. In recent years, many effective judgement have been passed by some state and National Consumer Forums.